



DEPARTMENT OF COMMERCE

Bureau of Economic Analysis

15 CFR Part 801

[110817508-2069-2]

RIN 0691-AA79

International Services Surveys: BE-150, Quarterly Survey of Cross-Border Credit, Debit, and Charge Card Transactions

AGENCY: Bureau of Economic Analysis, Commerce.

ACTION: Final rule.

SUMMARY: This final rule amends the regulations of the Bureau of Economic Analysis, Department of Commerce (BEA) to add new entities that are required to report information on the BE-150, Quarterly Survey of Cross-Border Credit, Debit, and Charge Card Transactions, to change the survey title, and to collect data in greater detail. Specifically, this rule expands the covered entities to include companies that operate debit networks based on a personal identification number (PIN). PIN-based debit network companies will be required to report on cross-border transactions between U.S. cardholders traveling abroad and foreign businesses and foreign cardholders traveling in the United States and U.S. businesses. This change improves the identification of cross-border travel transactions. This rule also changes the survey title from Quarterly Survey of Cross-Border Credit, Debit, and Charge Card Transactions to Quarterly Survey of Payment Card and Bank Card Transactions Related to International Travel to reflect this change to the regulations. In addition, this rule makes certain changes to the BE-150 form to collect data in greater detail. The revised BE-150 survey will be

conducted on a quarterly basis beginning with the first quarter of 2012.

DATES: The final rule is effective (INSERT 30 DAYS AFTER PUBLICATION IN THE FEDERAL REGISTER).

FOR FURTHER INFORMATION CONTACT: Chris Emond, Chief, Special Surveys Branch, Balance of Payments Division (BE-50), Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230; e-mail Christopher.Emond@bea.gov; or phone (202) 606-9826.

SUPPLEMENTARY INFORMATION: This rule amends 15 CFR 801.9 to expand the covered entities to include companies that operate debit networks based on a personal identification number (PIN). To reflect this change to the regulations, this final rule also changes the title of the form from Quarterly Survey of Cross-Border Credit, Debit, and Charge Card Transactions to Quarterly Survey of Payment Card and Bank Card Transactions Related to International Travel. In addition, this final rule revises the BE-150 survey form to collect certain data in greater detail.

In the October 28, 2011 issue of the Federal Register (76 FR 66872-66874), BEA published a notice of proposed rulemaking that would amend 15 CFR 801.9(c)(7) to set forth the reporting requirements for the BE-150, Quarterly Survey of Cross-Border Credit, Debit, and Charge Card Transactions. No comments were received on the proposed rule. Thus, the proposed rule is adopted without change.

Description of Changes

This final rule amends 15 CFR Part 801.9(c)(7) to require companies that operate PIN-based debit networks to submit information on BE-150, Quarterly Survey of

Cross-Border Credit, Debit, and Charge Card Transactions in addition to U.S. credit card companies that are required to complete the current survey. These companies are required to submit information on cross-border transactions between (1) U.S. cardholders traveling abroad and foreign businesses and (2) foreign cardholders traveling in the United States and U.S. businesses. The revised BE-150 survey is mandatory for all U.S. credit card companies and PIN-based debit network companies. The PIN-based debit network companies have been added to the list of required reporters to close a gap in the coverage of international travel transactions. This final rule also changes the title of the form from Quarterly Survey of Cross-Border Credit, Debit, and Charge Card Transactions to Quarterly Survey of Payment Card and Bank Card Transactions Related to International Travel to reflect the change in companies that are required to report.

BEA also revised the BE-150 survey to collect in greater detail certain information that was currently collected on the BE-150. The revised survey distinguishes between transactions when the bank or payment card is present at the point of sale and when the bank or payment card is not present at the point of sale. This change improves the identification of cross-border travel transactions. In addition, the revised survey disaggregates transactions by spending category by type of card – personal card, government card, and business or corporate card. This change provides the detail necessary for BEA to publish U.S. international travel statistics in accordance with international economic accounting guidelines.

Upon the effective date of this rule, BEA will conduct the revised BE-150 on a quarterly basis, beginning with transactions for the first quarter of 2012, under the

authority provided in the International Investment and Trade in Services Survey Act, 22 U.S.C. 3101-3108, hereinafter, “the Act.” BEA will begin sending the survey to potential respondents in March of 2012; responses will be due by May 15, 2012.

The revised BE-150 survey data will be used by BEA to estimate the travel component of the U.S. International Transactions Accounts. In constructing the estimates, these data will be used in conjunction with data BEA collected separately from U.S. and foreign travelers on the Survey of International Travel Expenditures about the methods these travelers used to pay for their international travel, such as credit, debit, and charge card purchases, cash withdrawals, currency brought from home, and travelers’ checks.

BEA maintains a continuing dialogue with respondents and with data users, including its own internal users, to ensure that, as far as possible, the required data serve their intended purposes and are available from the existing records, that instructions are clear, and that unreasonable burdens are not imposed. In reaching decisions on what questions to include in the survey, BEA considered the Government’s need for the data, the burden imposed on respondents, the quality of the likely responses (for example, whether the data are available on respondents’ books), and BEA’s experience in previous annual and quarterly surveys.

Survey Background

The Bureau of Economic Analysis (BEA), U.S. Department of Commerce, will conduct the revised survey under the Act, which provides that the President shall, to the extent he deems necessary and feasible, conduct a regular data collection program to

secure current information related to international investment and trade in services and publish for the use of the general public and United States Government agencies periodic, regular, and comprehensive statistical information collected pursuant to this subsection.

In section 3 of Executive Order 11961, as amended by Executive Orders 12318 and 12518, the President delegated the responsibilities under the Act for performing functions concerning international trade in services to the Secretary of Commerce, who has redelegate them to BEA.

The revised survey will provide a basis for compiling the travel account of the U.S. International Transactions Accounts. In constructing the estimates, these data will be used in conjunction with data BEA collected separately from U.S. and foreign travelers on the Survey of International Travel Expenditures on the methods these travelers used to pay for international travel expenditures. With the two data sources, BEA will be able to estimate total expenditures by foreign travelers in the United States (U.S. exports) and total expenditures by U.S. travelers abroad (U.S. imports) by country and region.

Executive Order 12866

This final rule has been determined to be not significant for purposes of E.O. 12866.

Executive Order 13132

This final rule does not contain policies with Federalism implications as that term

is defined under E.O. 13132.

Paperwork Reduction Act

The collection-of-information requirement in this final rule has been approved by the Office of Management and Budget (OMB) under control Number 0608-0072 pursuant to the requirements of the Paperwork Reduction Act.

Notwithstanding any other provisions of the law, no person is required to respond to, nor shall any person be subject to a penalty for failure to comply with, a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection displays a currently valid Office of Management and Budget Control Number.

The revised BE-150 quarterly survey is expected to result in the filing of reports from six respondents on a quarterly basis, or 24 reports annually. The respondent burden for this collection of information varies from one respondent to another, but is estimated to average 16 hours per response (64 hours annually), including time for reviewing the instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Thus, the total respondent burden for the revised BE-150 survey is estimated at 384 hours.

Written comments regarding the burden-hour estimates or other aspects of the collection-of-information requirements contained in the final rule should be sent to both Christopher.emond@bea.gov and to the Office of Management and Budget, O.I.R.A., Paperwork Reduction Project, Attention PRA Desk Officer for BEA, via email at pbugg@omb.eop.gov, or by FAX at 202-395-7245.

Regulatory Flexibility Act

The Chief Counsel for Regulation, Department of Commerce, has certified to the Chief Counsel for Advocacy, Small Business Administration, under provisions of the Regulatory Flexibility Act (5 U.S.C. 605(b)), that this rule will not have a significant economic impact on a substantial number of small entities. The factual basis for this certification was published with the proposed rule and is not repeated here. No comments were received regarding the economic impact of this rule. As a result, final regulatory flexibility analysis is not required and none was prepared.

List of Subjects in 15 CFR Part 801

International transactions, Economic statistics, Foreign trade, Penalties, Reporting and recordkeeping requirements, Travel expenses, Cross-Border transactions, Credit card, and Debit card.

Dated: February 6, 2012

J. Steven Landefeld

Director, Bureau of Economic Analysis.

For the reasons set forth in the preamble, BEA amends 15 CFR Part 801 as follows:

PART 801 – SURVEY OF INTERNATIONAL TRADE IN SERVICES BETWEEN U.S. AND FOREIGN PERSONS

1. The authority citation for 15 CFR Part 801 continues to read as follows:

Authority: 5 U.S.C. 301; 15 U.S.C. 4908; 22 U.S.C. 3101-3108; and E.O. 11961, 3

CFR, 1977 Comp., p.86, as amended by E.O. 12318, 3 CFR, 1981 Comp., p. 173, and E.O. 12518, 3 CFR, 1985 Comp., p 348.

2. Amend § 801.9, by revising paragraph (c)(7) to read as follows:

§ 801.9 Reports required.

* * * * *

(c) * * *

(7) BE-150, Quarterly Survey of Payment Card and Bank Card Transactions Related to International Travel:

(i) A BE-150, Quarterly Survey of Payment Card and Bank Card Transactions Related to International Travel will be conducted covering the first quarter of the 2012 calendar year and every quarter thereafter.

(A) *Who must report.* A BE-150 report is required from each U.S. company that operates networks for clearing and settling credit card transactions made by U.S. cardholders in foreign countries and by foreign cardholders in the United States and from PIN-based debit network companies. Each reporting company must complete all applicable parts of the BE-150 form before transmitting it to BEA. Issuing banks, acquiring banks, and individual cardholders are not required to report.

(B) *Covered transactions.* The BE-150 survey collects aggregate information on the use of credit, debit, and charge cards by U.S. cardholders when traveling abroad and foreign cardholders when traveling in the United States. Data are collected by the type of transaction, by type of card, by spending category, and by country.

(ii) [Reserved]

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